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Data Analysis &
Transparency Division

March 23, 2017

VIA FEDERAL EXPRESS

Mr. Will Counihan
Regional Fiscal Analysis
Local Government Assistance and
Economic Development Division
Texas Comptroller of Public Accounts
111 E. 17th Street
Austin, Texas 78774

Re: Kenedy County-Wide Common School District ("District") / Tax Limitation Agreement:
Stella Wind Farm, LLC ("Applicant")
Application No. 1176
Amended Application (Revised March 22, 2017)

Dear Mr. Counihan:

Pursuant to the e-mail from Deisy Perez dated March 20, 2017, attached are the following:

1. Amended Pages:
 - Application Page 2 – Added date Application was determined complete.
 - Tab 4 – clarified ownership of qualified property.
 - Tab 6 – clarified ownership of qualified property.
2. One (1) electronically digitized copy of the amended Application pages.

The Application was received on January 25, 2017. The Board of Trustees of the District elected to consider the application on January 25, 2017. The District determined the Application was complete on February 13, 2017. The amended Application pages were received on March 15, 2016.

The District requests that the Comptroller provide an economic impact evaluation.

By copy of this letter we are notifying the Applicant that the District has submitted the amended Application pages to the Comptroller.

Please call if you have any questions.

Very truly yours,


GEORGE E. GRIMES, JR.

GEG/paw
Enclosures



Economic Development
and Analysis

Form 50-296-A

Application for Appraised Value Limitation on Qualified Property (Tax Code, Chapter 313, Subchapter B or C)

INSTRUCTIONS: This application must be completed and filed with the school district. In order for an application to be processed, the governing body (school board) must elect to consider an application, but — by Comptroller rule — the school board may elect to consider the application only after the school district has received a completed application. Texas Tax Code, Section 313.025 requires that any completed application and any supplemental materials received by the school district must be forwarded within seven days to the Comptroller of Public Accounts.

If the school board elects to consider the application, the school district must:

- notify the Comptroller that the school board has elected to consider the application. This notice must include:
 - the date on which the school district received the application;
 - the date the school district determined that the application was complete;
 - the date the school board decided to consider the application; and
 - a request that the Comptroller prepare an economic impact analysis of the application;
- provide a copy of the notice to the appraisal district;
- must complete the sections of the application reserved for the school district and provide information required in the Comptroller rules located at 34 Texas Administrative Code (TAC) Section 9.1054; and
- forward the original hard copy of the completed application to the Comptroller in a three-ring binder with tabs, as indicated on page 9 of this application, separating each section of the documents, in addition to an electronic copy on CD. See 34 TAC Chapter 9, Subchapter F.

The governing body may, at its discretion, allow the applicant to supplement or amend the application after the filing date, subject to the restrictions in 34 TAC Chapter 9, Subchapter F.

When the Comptroller receives the notice and required information from the school district, the Comptroller will publish all submitted application materials on its website. The Comptroller is authorized to treat some application information as confidential and withhold it from publication on the Internet. To do so, however, the information must be segregated and comply with the other requirements set out in the Comptroller rules. For more information, see guidelines on Comptroller's website.

The Comptroller will independently determine whether the application has been completed according to the Comptroller's rules (34 TAC Chapter 9, Subchapter F). If the Comptroller finds the application is not complete, the Comptroller will request additional materials from the school district. Pursuant to 9.1053(a)(1)(C), requested information shall be provided within 20 days of the date of the request. When the Comptroller determines that the application is complete, it will send the school district a notice indicating so. The Comptroller will determine the eligibility of the project, issue a certificate for a limitation on appraised value to the school board regarding the application and prepare an economic impact evaluation by the 90th day after the Comptroller receives a complete application—as determined by the Comptroller.

The school board must approve or disapprove the application not later than the 150th day after the application review start date (the date the application is finally determined to be complete), unless an extension is granted. The Comptroller and school district are authorized to request additional information from the applicant that is reasonably necessary to issue a certificate, complete the economic impact evaluation or consider the application at any time during the application review period.

Please visit the Comptroller's website to find out more about the program at www.texasahead.org/tax_programs/chapter313/. There are links to the Chapter 313 statute, rules, guidelines and forms. Information about minimum limitation values for particular districts and wage standards may also be found at that site.

SECTION 1: School District Information

1. Authorized School District Representative

JANUARY 25, 2017
Date Application Received by District

Johnny Johnson
First Name Last Name

Superintendent
Title

Kenedy County Wide CSD
School District Name

150 East La Parra Street
Street Address

P.O. Box 100
Mailing Address

Sarita TX 78385
City State ZIP

361-294-5381 361-294-5718
Phone Number Fax Number

jjohnson@saritaschool.net
Email Address

Mobile Number (optional)

2. Does the district authorize the consultant to provide and obtain information related to this application? ☒ Yes ☐ No

3/15/17



Application for Appraised Value Limitation on Qualified Property

SECTION 1: School District Information (continued)

3. Authorized School District Consultant (If Applicable)

George E.

First Name

Grimes

Last Name

Title

Walsh, Gallegos, Trevino, Russo & Kyle, P.C.

Firm Name

210-979-6633

Phone Number

210-979-7024

Fax Number

ggrimes@wabsa.com

Email Address

Mobile Number (optional)

4. On what date did the district determine this application complete?

02/13/17

5. Has the district determined that the electronic copy and hard copy are identical?

☒ Yes☐ No

SECTION 2: Applicant Information

1. Authorized Company Representative (Applicant)

Paul

First Name

Senior Vice President

Title

701 Brazos Street, Suite 1400

Street Address

Bowman

Last Name

EC&R Development, LLC

Organization

Mailing Address

Austin

City

512-423-1878

Phone Number

TX

State

512-494-9581

Fax Number

paul.bowman@eon.com

Business Email Address

78701

ZIP

Mobile Number (optional)

2. Will a company official other than the authorized company representative be responsible for responding to future information requests?

☒ Yes☐ No

2a. If yes, please fill out contact information for that person.

Richard

First Name

Sr. Development Manager

Title

701 Brazos Street, Suite 1400

Street Address

Saunders

Last Name

EC&R Development, LLC

Organization

Mailing Address

Austin

City

512-461-9747

Phone Number

512-461-9747

Mobile Number (optional)

TX

State

512-494-99581

Fax Number

richard.saunders@eon.com

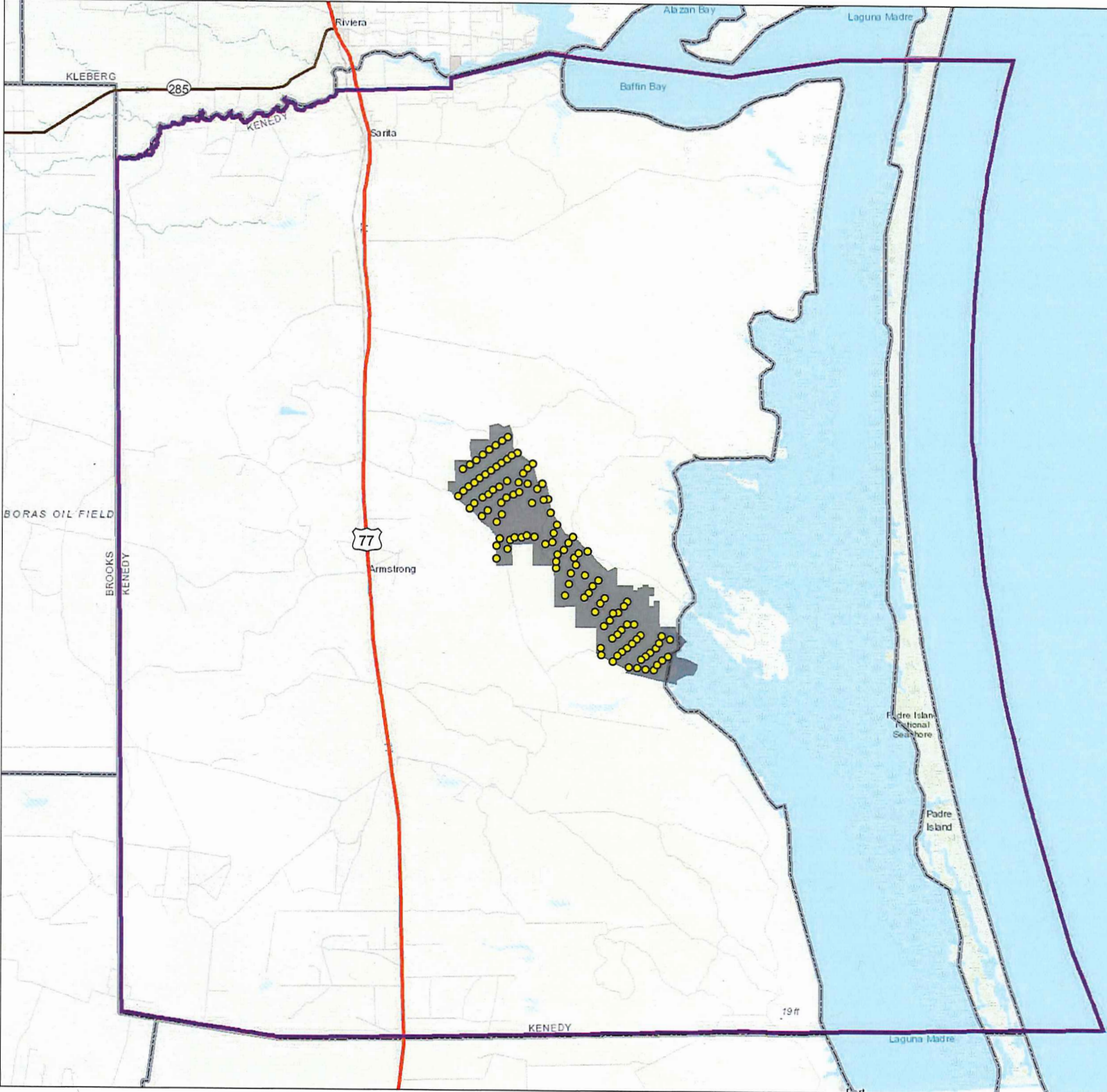
Business Email Address

78701

ZIP

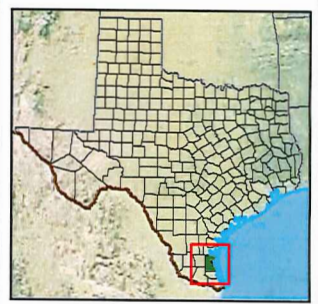
3. Does the applicant authorize the consultant to provide and obtain information related to this application?

☐ Yes☒ NoFor more information, visit our website: www.TexasAhead.org/tax_programs/chapter313/



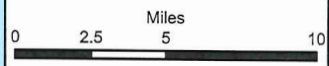
STELLA
School District

Kenedy County,
Texas



Date: March 15, 2017
Map Scale 1:388,250
Projection: UTM 14
Datum: North American 1983

-  Turbines
-  Highway
-  Major Road
-  Project Area
-  School District
-  Counties



Map produced by E.ON for internal use only. Final analysis & site locations are to be determined by E.ON personnel through on-site verification. Map is not to be reproduced or redistributed without expressly written permission from E.ON. Base data from USGS.

Amendment 01 05/15/17

STELLA Reinvestment Zone #3

Kenedy County,
Texas



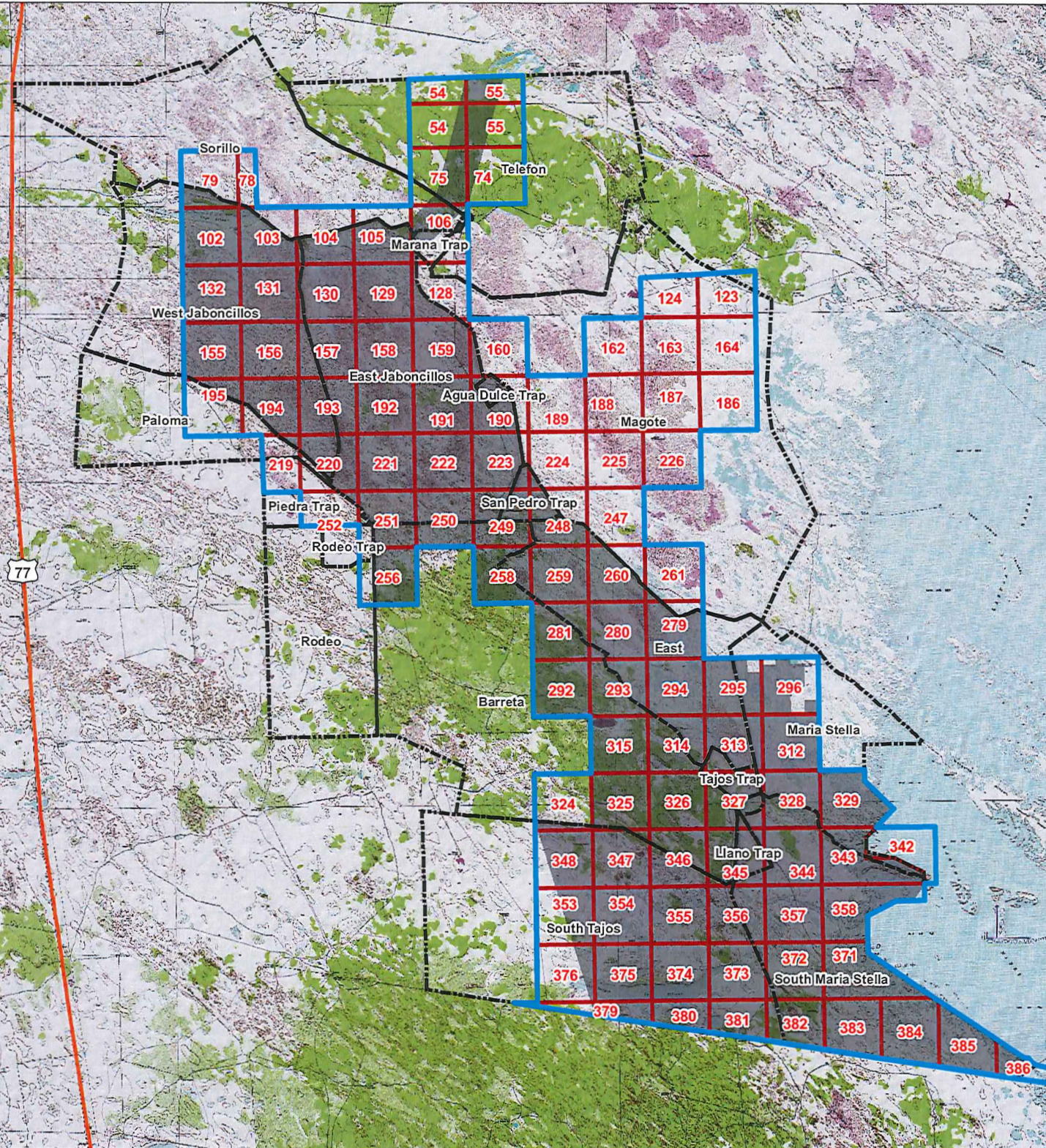
Date: March 15, 2017
Map Scale 1:150,000
Projection: UTM 14
Datum: North American 1983

- Highway
- Major Road
- Reinvestment Zone
- Master Pastures
- Sections
- Project Area

0 0.75 1.5 3
Miles

e-on

Map produced by E.ON for internal use only. Final analysis & site locations are to be determined by E.ON personnel through on-site verification. Map is not to be reproduced or redistributed without expressly written permission from E.ON. Base data from USGS.





January 25, 2014

Mr. Johnny Johnson
Superintendent
Kenedy County-Wide Common School District
150 East La Parra Street
Sarita, TX 78385

Re: Chapter 313 Job Waiver Request

Dear Mr. Johnson,

Stella Wind Farm, LLC requests that the Kenedy County-Wide Common School District's Board of Trustees waive the job requirement provision as allowed by Section 313.025(f-1) of the tax code. This waiver would be based on the school district's board findings that the jobs creation requirement exceeds the industry standard for the number of employees reasonably necessary for the operation of the facility attic property owner that is described in the application.

Stella Wind Farm, LLC requests that the Kenedy County-Wide Common School District make such a finding and waive the job creation requirement for 10 permanent jobs. In line with industry standards for job requirements, Stella Wind Farm, LLC has committed to create 5 total jobs for the project.

Wind projects create a large number of full and part-time, but temporary jobs during the construction phase of the project, but require a relatively small number of highly skilled technicians to operate and maintain the project after commercial operation commences.

The industry standard for employment is typically one full-time employee for approximately every 15 turbines. This number may fluctuate depending on the operations and maintenance requirements of the turbine selected as well as the support and technical assistance offered by the turbine manufacturer. The permanent employees of a wind project maintain and service wind turbines, underground electrical connections, substations and other infrastructure associated with the safe and reliable operation of the project. In addition, to the onsite employees, there may be managers or technicians who support the project from offsite locations.

With kind regards,

A handwritten signature in blue ink, appearing to read 'PB', followed by a long, sweeping horizontal line that extends to the right.

Paul Bowman
Sr. Vice President, Development

Schedule C: Employment Information

Amended 03/15/16
Form 50-296A
Revised Feb 2014

Applicant Name
Stella Wind Farm, LLC
ISD Name
Kenedy County Wide ISD

| | | | | Construction | | Non-Qualifying Jobs | | Qualifying Jobs | |
|---|---------------|-------------------------|---------------------------------|---|--|---|--|--|--|
| | | | | Column A | Column B | Column C | Column D | Column E | |
| | | | | Number of Construction FTE's or man-hours (specify) | Average annual wage rates for construction workers | Number of non-qualifying jobs applicant estimates it will create (cumulative) | Number of new qualifying jobs applicant commits to create meeting all criteria of Sec. 313.021(3) (cumulative) | Average annual wage of new qualifying jobs | |
| Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i> | Year | School Year (YYYY-YYYY) | Tax Year (Actual tax year) YYYY | | | | | | |
| | 0 | 2017-2018 | 2017 | | | | | | |
| Each year prior to start of Value Limitation Period <i>Insert as many rows as necessary</i> | 0 | 2018-2019 | 2018 | 100 FTE | \$ 59,408.96 | | | | |
| | 1 | 2019-2020 | 2019 | | | N/A | 5 | \$ 59,408.96 | |
| Value Limitation Period <i>The qualifying time period could overlap the value limitation period.</i> | 2 | 2020-2021 | 2020 | | | N/A | 5 | \$ 59,408.96 | |
| | 3 | 2021-2022 | 2021 | | | N/A | 5 | \$ 59,408.96 | |
| | 4 | 2022-2023 | 2022 | | | N/A | 5 | \$ 59,408.96 | |
| | 5 | 2023-2024 | 2023 | | | N/A | 5 | \$ 59,408.96 | |
| | 6 | 2024-2025 | 2024 | | | N/A | 5 | \$ 59,408.96 | |
| | 7 | 2025-2026 | 2025 | | | N/A | 5 | \$ 59,408.96 | |
| | 8 | 2026-2027 | 2026 | | | N/A | 5 | \$ 59,408.96 | |
| | 9 | 2027-2028 | 2027 | | | N/A | 5 | \$ 59,408.96 | |
| | 10 | 2028-2029 | 2028 | | | N/A | 5 | \$ 59,408.96 | |
| | 11 through 26 | 2029-2044 | 2029-2044 | | | N/A | 5 | \$ 59,408.96 | |
| Years Following Value Limitation Period | | | | | | | | | |

Notes: See TAC 9.1051 for definition of non-qualifying jobs.

Only include jobs on the project site in this school district.

C1. Are the cumulative number of qualifying jobs listed in Column D less than the number of qualifying jobs required by statute? (25)
qualifying jobs in Subchapter B districts, 10 qualifying jobs in Subchapter C districts)

☒ Yes ☐ No

C1a. Will the applicant request a job waiver, as provided under 313.025(f-1)?

☒ Yes ☐ No

C1b. Will the applicant avail itself of the provision in 313.021(3)(F)?

☐ Yes ☒ No

Amendment 01

03/15/17

Stella Wind Farm, LLC
Application for Appraised Value Limitations on Qualified Property

Tab 4

Section 7 — Project Description

The proposed Project will consist of a facility designed to use wind power to generate electricity, including wind turbines, towers, transformers, transmission lines, and associated ancillary equipment necessary to safely operate, maintain and transmit power to the ERCOT grid, and meteorological equipment to measure and test wind speed and direction. The Project may consist of 58 - 125 wind turbine generators, with a capacity of 1.6 megawatts to 3.4 megawatts per generator, with an approximate total capacity of 200 MW. The Project layout is not finalized at this time and we are unable to precisely pinpoint the final location of the wind turbine generators as stated above. Applicant anticipates completing construction by fourth quarter of 2018. All of the property for which the applicant is seeking a limitation on appraised value will be owned by the applicant. All qualified property will be located inside the project boundaries.

The Project will be entirely located within Kenedy County. It will be within the Kenedy County-Wide Common School District. Current land use for the private property consists of hunting, ranching, and oil and gas production (note that these uses can continue, as the Project is designed to be compatible with such activities).

The additional improvements for the Project may include but are not limited to:

- Roadwork, sloped for drainage, with turnouts from public roads
- Fencing to control livestock and to protect substations and other equipment as needed for safety and security.
- 58 -125 wind turbine generator foundations, with anchor bolt embeds and template rings
- Wind turbine obstruction lighting per FAA requirements
- Telephone system
- ECRNA will construct one 345:34.5kV collection substation, including two 140 MVA power transformers with OLTC's, as well as associated circuit breakers, switches, reactive power compensation equipment and control building.
- The collection substation will be connected to the utility interconnection through a single-circuit, double 795 ACSR conductor 345kv transmission line approximately 19 miles in length.
- Underground power cables from, and various cable accessories, with grounding.
- Permanent meteorological towers, quantity and location of which to be determined by final turbine layout.
- Underground communication cables

Stella Wind Farm II, LLC
Application for Appraised Value Limitations on Qualified Property

Tab 6

Section 10 — The Property

The proposed Project will consist of a facility designed to use wind power to generate electricity, including wind turbines, towers, transformers, transmission lines, and associated ancillary equipment necessary to safely operate, maintain and transmit power to the ERCOT grid, and meteorological equipment to measure and test wind speed and direction. The Project may consist of 58 - 125 wind turbine generators, with a capacity of 1.6 megawatts to 3.4 megawatts per generator, with an approximate total capacity of 200 MW. The Project layout is not finalized at this time and we are unable to precisely pinpoint the final location of the wind turbine generators as stated above. Applicant anticipates completing construction by fourth quarter of 2018. All of the property for which the applicant is seeking a limitation on appraised value will be owned by the applicant. All qualified property will be located inside the project boundaries.

The Project will be entirely located within Kenedy County. It will be within the Kenedy County-Wide Common School District. Current land use for the private property consists of hunting, ranching, and oil and gas production (note that these uses can continue, as the Project is designed to be compatible with such activities).

The additional improvements for the Project may include but are not limited to:

- Roadwork, sloped for drainage, with turnouts from public roads
- Fencing to control livestock and to protect substations and other equipment as needed for safety and security.
- 58 -125 wind turbine generator foundations, with anchor bolt embeds and template rings
- Wind turbine obstruction lighting per FAA requirements
- Telephone system
- ECRNA will construct one 345:34.5kV collection substation, including two 140 MVA power transformers with OLTC's, as well as associated circuit breakers, switches, reactive power compensation equipment and control building.
- The collection substation will be connected to the utility interconnection through a single-circuit, double 795 ACSR conductor 345kv transmission line approximately 19 miles in length.
- Underground power cables from, and various cable accessories, with grounding.
- Permanent meteorological towers, quantity and location of which to be determined by final turbine layout.
- Underground communication cables



Application for Appraised Value Limitation on Qualified Property

SECTION 16: Authorized Signatures and Applicant Certification

After the application and schedules are complete, an authorized representative from the school district and the business should review the application documents and complete this authorization page. Attach the completed authorization page in Tab 17. NOTE: If you amend your application, you will need to obtain new signatures and resubmit this page, Section 16, with the amendment request.

1. Authorized School District Representative Signature

I am the authorized representative for the school district to which this application is being submitted. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code.

print
here

Johnny Johnson

Print Name (Authorized School District Representative)

Superintendent

Title

sign
here

Johnny Johnson

Signature (Authorized School District Representative)

Date

3-15-17

2. Authorized Company Representative (Applicant) Signature and Notarization

I am the authorized representative for the business entity for the purpose of filing this application. I understand that this application is a government record as defined in Chapter 37 of the Texas Penal Code. The information contained in this application and schedules is true and correct to the best of my knowledge and belief.

I hereby certify and affirm that the business entity I represent is in good standing under the laws of the state in which the business entity was organized and that no delinquent taxes are owed to the State of Texas.

print
here

Paul Bowman

Print Name (Authorized Company Representative (Applicant))

Senior Vice President

Title

sign
here

Paul Bowman

Signature (Authorized Company Representative (Applicant))

Date

3-15-17



(Notary Seal)

GIVEN under my hand and seal of office this, the

15TH day of MARCH, 2017.

Richard Simmons
Notary Public in and for the State of Texas

My Commission expires: NOVEMBER 21, 2018

If you make a false statement on this application, you could be found guilty of a Class A misdemeanor or a state jail felony under Texas Penal Code Section 37.10.